

UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

Before Commissioners: Joseph T. Kelliher, Chairman;
Nora Mead Brownell, and Suedeene G. Kelly.

City of Pasadena, California, and California Independent System Operator Corporation	Docket Nos. EL05-18-000 ER05-381-000
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ORDER APPROVING UNCONTESTED SETTLEMENT

(Issued July 26, 2005)

1. On May 27, 2005, the City of Pasadena (Pasadena) filed a Settlement Agreement reflecting an agreement it reached with the California Independent System Operator Corporation (ISO) (collectively, Settling Parties) in the captioned dockets. On June 6, 2005 Trial Staff filed comments in support of the Settlement Agreement. On June 15, 2005, the Presiding Administrative Law Judge certified the Settlement Agreement, as uncontested to the Commission.
2. The Settlement Agreement resolves all issues set for hearing in the above-captioned dockets.¹ Specifically, the Settlement Agreement resolves all issues in Docket Nos. EL05-18-000 and ER05-381-000 concerning the Transmission Revenue requirement (TRR) for Pasadena for purposes of its participation in the ISO as a Participating Transmission Owner (Participating TO), subject to the final outcome of the issues in Docket Nos. EL03-15 and EL03-20² relating to the inclusion of TRR costs associated with the Southern Transmission System (STS) and Northern Transmission System (NTS) and related contracts with the Los Angeles Department of Water and Power (LAWDP) in the ISO's rates and charges.
3. The Settlement Agreement is in the public interest and is hereby approved. The Commission's approval of this settlement does not constitute approval of, or precedent regarding, any principle or issue in this proceeding. The Commission retains the right to investigate the rates, terms and conditions under the just and reasonable and not unduly discriminatory or preferential standard of section 206 of the Federal Power Act, 16 U.S.C. 824e (2004).

¹ *City of Pasadena, California*, 109 FERC ¶ 61,386 (2004).

² *City of Anaheim, California*, 101 FERC ¶ 61,352 (2002).

4. The designations on this tariff are in compliance with Designation of Electric Rate Schedule Sheets, Order No. 614 (FERC Statutes and Regulations, Regulations Preambles July 1996 – December 2000 ¶ 31,096 (2000)), are accepted for filing as designated, and are effective on the date specified in the Settlement. Within sixty (60) days from the date of this order, any amounts collected in excess of the settlement rates shall be refunded by Pasadena together with interest computed under § 35.19a of the Commission's regulations.³ Within fifteen (15) days after making such refunds, Pasadena shall file with the Commission a compliance refund report showing monthly billing determinants, revenue receipt dates, revenues under the present and settlement rates, the monthly revenue refund, and the monthly interest computed, together with a summary of such information for the total refund in Docket No. EL05-18-000. Pasadena shall furnish copies of the report to the affected customers and to each state commission within whose jurisdiction the affected wholesale customers distribute and sell electric energy at retail.

5. In addition, the California Independent System Operation Corporation (CASIO) shall provide refunds plus interest pursuant to 18 C.F.R. § 13.9(a)(2) within sixty (60) days of this letter order. Within fifteen (15) days after making such refunds, the CAISO shall file with the Commission a compliance refund report showing monthly billing determinants, revenue receipt dates, revenues under the present and settlement rates, the monthly revenue refund, and the monthly interest computed, together with a summary of such information for the total refund in Docket No. ER05-381-000. The CASIO shall furnish copies of the report to the affected customers and to each state within whose jurisdiction the affected wholesale customers distribute and sell electric energy at retail.

6. This letter order terminates Docket No. ER05-381-000 in its entirety and terminates Docket No. EL05-18-000 with respect to all issues other than the treatment of TRR costs associated with the STS, NTS, and related LADWP contracts, which will be subject to the final outcome of Docket Nos. EL03-15 and EL03-20. New sub-dockets will be assigned in Docket Nos. EL05-18 and ER05-381 upon receipt of the required compliance refund reports.

By the Commission.

(S E A L)

Linda Mitry,
Deputy Secretary.

³ 18 C.F.R. § 35.19a (2004).